



Illinois White House Conference on Aging Listening Session

Illinois HomeCare Council

December 8, 2004 – Chicago Illinois

The Illinois HomeCare Council would like to thank Director Johnson and the Illinois Council on Aging for convening this Listening Session for the upcoming 2005 White House Conference on Aging (WHCoA). The Illinois HomeCare Council appreciates the opportunity to share the perspective of our 200 home health and hospice agency members at this session. It is an excellent way to begin the many events leading up to the 2005 White House Conference on Aging.

As the events prior to this White House Conference on Aging unfold, there are many factors that will have a powerful impact on all aspects of the aging of the society. As the baby boomer generation ages, they will share a value held by the generations before them. They will want to remain in their homes as long as possible and receive their health care services in their homes.

There are more than 400 home health licensed agencies in Illinois, 328 of which are Medicare Certified, that provide health services in the home. The services are provided mainly to seniors, of which 67% are female, who are older and poorer than the average Medicare beneficiary. They are likely to live alone and likely to have 3 or more ADL impairments. Services not only cover skilled intermittent nursing care and home health aides, but also physical therapy, occupational therapy, speech and language therapy, medical social services, durable medical equipment (such as wheelchairs, hospital beds, oxygen and walkers), as well as some medical supplies.

There are 105 hospice providers in Illinois, 89 of those providers are Medicare Certified. Hospice services provide necessary palliative treatment for conditions related to the terminal illness, such as nursing care, services of a medical social worker, physician, counselor, home care aide or homemaker; short-term inpatient care, including both respite care and inpatient care for procedures necessary for pain control and acute and chronic system management; medical appliances and supplies, including drugs and biologicals; physical and occupational therapies; and speech-language pathology services. Bereavement services for the family are provided for up to 13 months following the patient's death.

Home health and hospice services have become an increasingly important part of our health care system for persons who do not require hospitalization, but who cannot stay at home without nursing or therapeutic treatments to assist with recovery or when receiving hospice care. The kinds of highly skilled and often technically complex services that our nation's home health agencies provide, have enabled millions of our most frail and vulnerable older persons to avoid hospital and nursing home stays, and in the setting just where they want to be - in the comfort and security of their own homes.

Last year in Illinois, Medicare funded \$415 million in home health care for 113,040 patients receiving 2,734,415 visits. Medicare funded \$115 million in Illinois for Hospice care, providing services to 25,000 patients and their families. Without these health services, patients would not be able to leave the hospital, the nursing home or remain at home. Medicaid funds \$12 million in home health care services, 25% of which is received by seniors.

The history of the Medicare Home Health and Hospice Programs and the White House Conferences on Aging has been linked closely from the inception of the federally funded Medicare and Medicaid Programs after the 1961 WHCOA. Those programs were strengthened by the support voiced at each of the following Conferences. Most of the challenges faced by the home health and hospice programs are related to Medicare funding, which receives much more attention at a national conference such as the White House Conference on Aging than they often receive at the state level.

As we look to the 2005 WHCOA, home health, hospice and durable medical equipment programs will be facing the following challenges:

- **Rural Add-On** – The Illinois HomeCare Council seeks the support of the aging network to advocate for the restoration of the add-on payment for home health services in rural areas. Surveys have shown that the delivery of home health services in rural areas can be as much as 12 to 15 percent more costly because of the extra travel time required to cover long distances between patients, higher transportation expenses, and other factors. Extension of this add-on payment will therefore help to ensure that Medicare patients in rural areas continue to have access to the home health services that they need. We urge you to advocate for the extension of the five percent rural add-on payment for home health services for two years. This is currently **scheduled to end April 1, 2005.**
- **Durable Medical Equipment/Home Medical Equipment Reimbursement** – The Illinois HomeCare Council asks for your support to repeal the DME/HME reimbursement cuts under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), **scheduled for implementation on January 1, 2005.**

- **Copayments** - During the debates on Medicare changes last year, House resolution 1 included copayments for home health. Although it did not pass, the Illinois HomeCare Council is concerned that the issue will come up again the future. The average senior spends 22 percent of his or her income on health care.

Those in poor health spend 44 percent and low-income women over 85 spend 52 percent. The implementation of a home health copayment of \$40 to \$50 per episode would impose a significant additional burden on those Medicare beneficiaries who can least afford the costs. The Illinois HomeCare Council would like gain the support of those involved with the WHCOA from Illinois to oppose copayments for Medicare home health services, should this issue come up again in the future.

Medicare home health expenditures have been cut by nearly 40 percent since the enactment of the Balanced Budget Act of 1997. We are concerned that any further cuts in the Medicare home health benefit simply cannot be sustained without affecting patient care, particularly for those Medicare beneficiaries with complex care needs. Since that time, the number of Medicare patients receiving home health care nationwide has dropped by 1.3 million - more than one-third. Reductions of this magnitude simply cannot be sustained without ultimately affecting patient care.

The Illinois HomeCare Council urges those involved with the 2005 White House Conference on Aging to consider the role of home health and hospice care in the continuum of health and independence of seniors in Illinois when preparing the resolutions for the Conference, and during the pre and post Conference advocacy activities. Thank you for your consideration of these issues as we in Illinois work collectively to ensure that elderly and disabled Americans continue to have access to quality home health services.